



## Global Invacom Reverses Losses To Post FY2013 US\$8.0M Net Profit; Announces First Dividend Since RTO

- Revenue rises to US\$115.8 million mainly due to US\$25.4 million contribution from new subsidiaries
- Gross profit and gross profit margin sharply higher due to improvement of quality and addition of new business
- Net profit in FY2013 was US\$8.0 million
- Declares final dividend of 0.5 Singapore cent per share for the year

As at 31 December 2013 US\$ 'millions	FY2013	FY2012	Change (%)
Revenue	115.8	74.7	55.0
Gross Profit	29.2	14.1	107.8
Gross Profit Margin (%)	25.2	18.8	--
Net Profit/(Loss) After Tax	8.0	(17.7)	N.M.
Diluted Earnings per Share (US Cents)	3.41 <sup>*</sup>	(16.79) <sup>**</sup>	N.M.
Net Asset Value per Share (US Cents)	19.32 <sup>#</sup>	15.64 <sup>##</sup>	23.5

N.M. -- Not Meaningful

<sup>\*</sup> calculated based on 235,600,286 weighted average number of ordinary shares for the period ended 31 December 2013

<sup>\*\*</sup> calculated based on 105,682,236 weighted average number of ordinary shares for the period ended 31 December 2012

<sup>#</sup> calculated based on 231,802,299 total number of issued shares as at 31 December 2013

<sup>##</sup> calculated based on 229,997,035 total number of issued shares as at 31 December 2012

*DMG & Partners Securities Pte Ltd (“DMG”) was the financial adviser to Global Invacom Group Limited in relation to the acquisition of Global Invacom Holdings Limited. DMG assumes no responsibility for the contents of this press release.*

**Singapore, 27 February 2014 - Global Invacom Group Limited (“Global Invacom” or “the Group”)** announced today a net profit after tax of US\$8.0 million for the financial year ended 31 December 2013 (“FY2013”), a positive swing of US\$25.7 million from the loss of US\$17.7 million in FY2012, and proposed its first dividend since completing its reverse takeover (“RTO”) in July 2012.

The Singapore Exchange Mainboard-listed satellite communications (“Sat Comms”) equipment specialist said the net profit surge was propelled by higher revenue, higher gross profit margin after improving quality and adding new business together with the absence of goodwill written-off.

FY2013 revenue rose US\$41.1 million (+55.0%) to US\$115.8 million after consolidating US\$25.4 million contribution from subsidiaries acquired after its RTO.

UK-based The Waveguide Solution Limited (“TWS”), acquired in August 2012, and Malaysia-based Global Invacom Sdn Bhd (“GISB”), both contributed first full-year revenue and profit in FY2013.

The Group also recognised one month of FY2013 revenue from UK-based satellite antenna manufacturer Global Invacom Manufacturing (UK) Limited which was acquired in November 2013 to enhance its positioning as a sizeable and integrated Sat Comms equipment supplier in Europe.

By geographical performance, all regions improved in FY2013, with contribution from the America rising by US\$11.4 million (+24.6%) to US\$58.0 million, Europe by US\$7.5 million (+39.0%) to US\$26.6 million and Asia and Rest of the World (“ARW”) growing fastest by US\$22.2 million (+244.9%) to US\$31.2 million.

The significantly better ARW revenue included an Asian order of approximately US\$16.0 million secured at the end of FY2012 by GISB, the bulk of which was recognised in FY2013. GISB is expected to continue to contribute to the Group in FY2014 after winning a repeat contract in November 2013. GISB has since scaled up its operations from sub-assembly to manufacturing to meet the second order.

The Group’s profitability in FY2013 was also lifted by the improvement of gross profit margin to 25.2% from 18.8% in FY2012 achieved on better operating efficiencies, improvement in quality and the absence of extra freight costs and stock adjustments arising from issues experienced in FY2012.

Despite the US\$4.6 million increase in FY2013 operating expenses as the Group enlarged operations and acquired companies following the RTO, total expenses fell due to the absence of the US\$16.8 million non-cash, non-recurring write-off of goodwill in FY2012 arising from the RTO.

The Group’s net cash position remains healthy at US\$14.6 million or 6.27 US cents per share as at 31 December 2013 with cash and cash equivalent at US\$14.7 million less borrowings of US\$0.1 million.

Although the Group generated US\$7.7 million cash flow from operations, cash and cash equivalents decreased due to the first tranche payment of US\$7.5 million to the vendors in accordance with the terms of the RTO, US\$2.3 million cash payment

to acquire Raven Manufacturing Limited, and purchase of plant and equipment of US\$2.4 million.

Earnings per share on a fully diluted basis reversed from a loss of 16.79 US cents in FY2012 to 3.41 US cents in FY2013. Net asset value per share as at 31 December 2013 rose to 19.32 US cents from 15.64 US cents as at 31 December 2012.

The Group proposed a final one-tier tax exempt dividend of 0.5 Singapore cent per share, representing 11.4% of the net profit. This is the first dividend following the RTO.

Commenting on the results, Executive Chairman Mr Tony Taylor, said, “This strong showing in the first full year of results since our RTO clearly underscores the success of our acquisitions, aggressive business development in Asia and the decisive improvement and rectification of operational and quality issues a year earlier.”

“We are clearly on track to achieve our strategic objectives and are pleased that we can reward shareholders with the first dividend since the RTO,” he said. “We are also seeking to enhance shareholder value by exploring opportunities to tap in other capital markets so as to make further acquisitions and position ourselves better as the global leader in the industry.”

The Company had announced on 4 February 2014 its intention for a potential secondary listing on the AIM market of the London Stock Exchange to raise additional capital for future expansion and other business plans.

Global Invacom is one of seven major Sat Comms equipment companies in the world with a global marketing reach, integrated manufacturing footprint and strong R&D capabilities.

Barring any unforeseen circumstances, the Board of Directors expects the financial performance for FY2014 to be profitable.

**\*\*End of Press Release\*\***

**About Global Invacom Group Limited**

Global Invacom Group Limited (“Global Invacom”) is the result of a reverse takeover (“RTO”) of UK-based satellite equipment company - Global Invacom Holdings Limited, by SGX-ST listed Radiance Group Limited.

As a result of the merger, Global Invacom is now a fully integrated satellite equipment provider listed on the SGX Mainboard, with five manufacturing plants across China, Malaysia and UK, providing electronics manufacturing services in satellite communications, TV peripherals, computer peripherals, medical, and consumer electronics industries. It is also one of seven companies in the world involved in R&D, design and supply of satellite components and products to large-scale satellite broadcasters to offer a full range of LNB receivers, transmitters, switches and video distribution components. Its customers include satellite broadcasters such as BSkyB of the UK and DISH Network of the US.

For more information, please visit us at [www.globalinvacom.com](http://www.globalinvacom.com).

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